

A CRITIQUE OF THE GLOBAL FINANCIAL CRISIS: FROM THE PERSPECTIVE OF BUDDHIST ETHICS AND PSYCHOLOGY

Leon Miller*

Abstract

Jonathan Watts and David Loy believe that the global economic crisis is evidence of a deeper syndrome that is rooted in misconceptions concerning what it really means to enjoy happiness, progress and prosperity. Watts and Loy criticize this misconception from an “Engaged Buddhist” perspective claiming that “The problem is an impoverished worldview” (62). In other words, the problem is a worldview that places emphasis on lesser, short-term, risky, superficial values while sacrificing deeper, more fulfilling and more highly substantial values.

The far reaching consequences of the crisis demand a powerful ethical, psychological and socio-economic response - one that is adequate for addressing the value crisis while offering remedies that can guide society back onto a flourishing path. I propose an analysis of the crisis from a perspective profound enough to address the root of the problem while at the same time offering healing for the soul of a nation (perhaps the world’s most powerful) that has ethically and psychologically been showing signs of staggering. I propose that Buddhist ethical and psychological insights offer such a perspective.

*Professor Miller holds a Master of Divinity from the Chicago Cluster of Theological Schools (USA) and a Master of Arts from Andrews University (USA). He is working as a lecturer in the International Relations Department of Tallinn Technical University in Tallinn, Estonia, where he is a doctoral candidate. He has a number of publications in the areas of Ethics, Philosophy, Religion and International Relations.

INTRODUCTION

The prominent business ethics scholar Manuel Velasquez describes business ethics as “The application of an understanding of what is good and right to transactions and pursuits that we call business. It begins with providing a framework of basic principles for understanding what is meant by the terms good and right” (Velasquez 1). From the perspective of Buddhism, business ethics necessarily also includes a study of the principles guiding individuals in their attempt to produce and distribute the materials needed so that the members of the society enjoy a wholesome quality of life. Individual ingenuity is intended to create not only personal happiness but is also meant to increase social benefits. For this reason the increase of prosperity is not only viewed as the concern of the private business individual, it is a concern shared by the entire social system. Thus there is necessarily concern about social responsibility, connected with the study of business ethics, as there must be guidelines to insure that business benefits (does not hurt) public interests.

Many scholars of business ethics are now convinced that the discipline must include a study of the principles guiding social systems in their attempt to produce and fairly distribute the materials needed to enrich the quality of life of its members. Without such an ethical framework for approaching interactions, there is the likelihood of business hurting public interests. This problem is minimized with adherence to Buddhist ethics and psychology because

Buddhist ethics “Focuses on social harmony and the concept of an endless return of benefits from the individual to all sentient beings” (Ornatowski 13). Thus Buddhist business ethics contain a notion of justice as an essential aspect of its admonition to perform “right actions”.

The current financial crisis makes evident an ethical problem because the basic principle of “compassion for all sentient beings” has clearly been violated resulting in damages to public interests on a global scale. Indeed ethics is a problem here because no society can afford to license its members and institutions to harm public interests. Ethicists cannot conceive of well-ordered societies where some of the most powerful and wealthy protect their private interests while hurting public interests. A nation with business practices based on an ethics allowing global public interests to be hurt is in need of serious “soul searching” and “collective self reflection”.

To adequately address this problem demands more than a comprehensive scrutiny of the financial decisions that led to the crisis. We must remember that the scope of the problem involves a collective mindset. An investigation of the crisis must include an analysis of the collective mindset that motivated such decisions. Thus insight into the full scope of the problem requires an extensive exploration of the underlying collective perspective on existence that is reflected in certain value and ethical choices.

Given the scope of the problem, it is necessary to carefully discern how we can

move ahead into a better future in a way that allows society to uphold its most treasured principles while altering those patterns that have caused society to fail at realizing its most cherished values. The far reaching consequences of the crisis will demand a profound response. One that has the insight to accurately identify the value crisis while offering remedies that can guide society back onto a flourishing path. When analyzing this problem from a psychological perspective, it is necessary to examine the impulses motivating this troublesome mindset and its resultant ethical decisions. I propose that Buddhist psychology and ethics offer a relevant perspective from which we can critically view the issues.

Economic activity is one of the cornerstones of society, thus economics-as one the key institutions of society-plays an important role in increasing happiness and the quality of life. For this reason Buddhism has always recognized that prosperity is important for contributing to an overall sense of well-being. Buddhism includes prosperity as a significant component of the good life, because discomfort takes away from ones ability to focus on enlightenment. Not that wealth is necessary for true happiness, but a good lifestyle does contribute to eliminating certain distractions from happiness that can occur if one's focus is stuck on disturbances caused by what one lacks. Ethics then provides insight into how to experience prosperity in ways that do not result in misfortune (Aristotle VI ix). Buddhism provides insight into enhancing the prosperity of the individual in ways that reflect well on the person's character. For

Buddhism increasing prosperity implies gaining insight into what contributes to the overall elevation of humanity (individual and societal).

The application of the basic principles of Buddhism to economic transactions calls for a particular perspective on moral reasoning. In the classical study of ethics this mental aspect of what produces beneficial outcomes and helps to avoid harmful results is referred to as prudence (Aristotle VI ii). Prudence is a particular way the mind can be disciplined to produce very desirable results. Buddhists refer to prudence as *yonisomanasikara*. *Yonisomanasikara* is a type of ingenuity that induces the realization of how a person can experience his or her highest good while at the same time increasing benefits to others.

Both Buddha and Aristotle presumed that the primary value worth pursuing in life is happiness. They both recognized that wealth is an important factor in being able to enjoy "the good life". For Buddhism the role of material security in relationship to true happiness is exemplified by Maslow's Hierarchy of Needs. Material needs do indeed provide the base, for without this people are disposed to being mentally distracted from concentration on their higher level needs. But once material needs are satisfied, there is a realization that they are not the end within themselves. There follows the recognition that there are still higher level values worth pursuing.

This article recognizes that the current crisis not only calls into question the ethical basis upon which financial decisions are made but highlights as well the need for values clarification. This takes place in the form of a dialectic critique of society's basic ethical assumptions. We must remember that the scope of the problem reflects not only the way in which business is conducted but raises questions concerning some of the fundamental principles of Western Liberalism. The current financial crisis makes evident an ethical problem that diminishes Liberalism's effort to globally create more well-ordered societies. Thus the dialogue with our critics necessarily involves a reexamination of the fundamental principles that are the basis of some of the most cherished notions of Western Civilization.

Western critics are now in a position to attack claims of the apparent moral superiority of the free market. The critics are also calling attention to the fact that Liberalism's global appeal is very much tarnished by Liberalism's business ethics. The Western Enlightenment envisioned well-ordered societies where the each member has the freedom to pursue what each believed to be his or her highest good. It was envisioned that this would be built on a type of mutual compassion resulting in each "contractually agreeing to work for the common good". The need to analyze what hinders adherence to this principle is apparent as the current financial crisis makes evident a threat to our domestic and global common good. The dialogue encourages us to take a serious look at the discrepancy between our fundamental values and our practice of

business ethics.

The first section of the article investigates the ethical misconceptions that precipitated the current financial crisis. An overview of the collective mindset and the subsequent business ethics creating misfortune will be explored from the perspective of Buddhist psychology and ethics. The second section of the article concludes the investigation of the troublesome mindset and introduces Buddhist insights into how to increase prosperity and well-being. The third section of the article explains how we can move past the ethical misconceptions of the recent past and move ahead toward a more progressive interpretation of the Enlightenment project.

The Mindset that Creates Misfortune

John Fullerton, the former Managing Director of JP Morgan, stated that "Our global economic system is broken! With the global credit crisis, and the ensuing financial turmoil the stability and even viability of our freewheeling, complex and interconnected global financial system has come into question. Even "experts" are scrambling for answers as they reinvent the purpose and practices of major institutions including even the Federal Reserve Bank itself". (Fullerton 1). To remedy this problem requires a constructive analysis of the mindset that produces misfortune. We must realize that the current economic tendency-of a one-dimensional perspective on life-will tend to result in misfortune. This involves putting what has happened into a perspective that would allow reflection on the inadequacies of the

current value mindset.

In reference to economics, one must admit that a primary motivation for business practice is the effort to increase the margin of profit. The behavior of “Homo Economicus” is motivated by concern for increasing production, consumption and profit. All too often this drive is accompanied by envy, greed and the belief that unnecessary consumption creates a better life. The benefits derived from wealth are believed to provide a person the ability to enjoy material indulgences, increased luxury, and leisure. This is believed to be the basis of happiness. Corporations perpetually marketing items of disposable value also are constantly motivating new ‘needs’ for the individual. This actually serves to increase human cravings and desires, thus can be a source for increasing discontent. On the international scale it also prompts Realism’s efforts to assert its power and extend its interests. Such a mindset is troublesome as it creates misfortune and instability-domestically as well as on a global scale.

Economics-sometimes referred to as the “crown jewel” of the social sciences-plays a major role in the value perspective driving society’s human interactions. When the primary focus of social interactions is concern for “the bottom line” self interest dominates. The most influential members of such a society model that the path to success demands employing “rational choice” in order to become “utility maximizers”. Such economic interests tend to be one dimensional resulting in measuring the quality of life and happiness in terms of

what will maximize utility for the individual. This results in placing an emphasis on lesser, short-term, risky, superficial values while sacrificing deeper, more fulfilling and more highly substantial values. Measuring the success of a life endeavor merely in terms of its proposed increase in private benefits can have detrimental consequences for individuals, society and the international community.

The problematic mindset assumes that actions are justified if they allow the individual to increase pleasure and escape undesirable outcomes. Problems occur when it encourages a particular value stance that justifies actions that produce individual pleasure, satisfaction, happiness and/or profit without consideration of the damage it does to the overall public interest. Thus using utilitarian ethics to justify decisions regardless of their consequences to others can have drawbacks that are dangerous for the public. An example is the Ford Motor Company’s decision to produce the Ford Pinto in spite of the fact that they knew it had a design fault that could possibly result in severe injury or even fatality. Indeed some owners did suffer severe injuries and some there were some fatalities due to the design fault.

It appears that the mindset that led Ford to decide to produce the car was based on determining utility by means of a “cost analysis”. A cost analysis measures possible gains, subtracts possible losses and then decides if the action is profitable. I assert that such a threat to the public good betrays the social contract (which Western

social and political philosophy insisted is necessary to generate both human compassion and the common good). From the Buddhist perspective an ethically good business decision cannot increase private wealth while injuring the well-being of stakeholders.

There are many psychologists who would agree that the basic human motivating principle is self preservation. They would add that this gives humanity a natural predisposition toward protecting or asserting self interests. From this perspective asserting ones self interest would be to do what comes naturally. "Doing what comes naturally (anusetagamin) either as individuals or as cultures is to give into our natural state of ignorance, greed and hatred, whereas the Buddhist path demands a wrenching shift away from this natural morality" (Hubbard 94).

Buddha explained that the actions of the natural human mindset result in the typical experience of "Samsara": He claimed that humanity as a whole is in a desperate-but natural-pursuit to experience a utilitarian increase in pleasure, satisfaction and profit while at the same time attempting to escape pain, suffering and loss. Buddhist psychology and Buddhist ethics agree that adherence to the pleasure principle reflects an underdeveloped level of moral reasoning. Buddhist ethicists assert that such a mental outlook represents a lack of prudence, thus will not produce the most desired results (happiness) and is more likely to result in human suffering. This is one way of explaining what Buddha meant by the Four Noble Truths: that a wrongful

mindset can cause suffering, that suffering can be caused by greed, that a proper mental outlook can rid a person of suffering, and finally, that the Enlightenment Path will lead to the achievement of one's highest good.

Buddha makes clear that this troublesome mindset is due to behavior that is motivated by "Tanha". He explained, long before Freud, that the basic motivating behavior for humanity is the ego driven "pleasure principle". Pragmatist William James understood this basic Freudian pleasure instinct and claimed that it inevitably leads one to attempt a utilitarian increase in pleasure, enjoyment and the increase of personal benefits. A person acting on the basis of the pleasure principle reflects a mindset focused on self and the immediate gratification of lower level human desires. Buddhist psychology and Buddhist ethics agree that adherence to the pleasure principle reflects an underdeveloped level of moral reasoning and poor ethical insight. Ethicists assert that such a mental outlook represents a lack of prudence, thus will not reflect a character with good moral reasoning and is more likely to result in misfortune.

Superficial, quick fixes based on speculation can supply some initial benefits, however because these superficial results do not satisfy deeper human needs, they only appeal to one small, superficial aspect of human desires. From the perspective of human growth psychology superficial, quick fixes can in the end actually increase anxiety; even if they offer immediate gratification it soon fades

and the person becomes anxious to fill the vacuum with another “quick fix”. The immediate financial problem, as well as our ongoing collective ethical problem, results from a preference for immediate superficial gratification rather than long-term, lasting fulfillment. We have been witnessing decisions not based on sound moral reasoning but on mere speculation. From the Buddhist standpoint decisions must be made on the basis of deeper, more substantial values that create greater and longer lasting beneficial results for increased numbers of people.

Without a wholesome mindset a person’s material pursuits can produce wealth but not necessarily happiness and peace of mind. Clinical Psychologist, Dr Alden Cass, the author of *Bullish Thinking*, conducted a research study of the psychological well-being of top Wall Street executives. The results showed that 23% of New York stockbrokers suffered from clinical depression, about three times the national average (Kollewe 2). The Dalai Lama observed that “Those living in the most material abundance are in some ways less satisfied in spite of their affluent lifestyles. They are less happy and to some extent experience emotional suffering more than those living in the least developed countries” (5).

A satisfaction of the human urge for happiness plus an increase in the quality of existence require adherence to principles proven reliable for guiding a person to a more enlightened life experience. “Albert Einstein observed that the significant problems we face cannot be solved at the same level of thinking we were at when

we created them. The problems we created are deep fundamental problems that cannot be solved on the superficial level. We need a new level, a deeper level of thinking, based on the principles that accurately describe the territory of effectively being human and interacting effectively” (Covey 42). Buddhist teleology offers such a profound level of insight. It makes ample use of both psychology and ethics to explain the meaning of life. Buddha initiates this with his assertion that correcting values leads to an ability to express ones inner human impulses in ways that produce lasting happiness and improved cooperative interactions.

Buddha had profound psychological insight into what motivates human inclinations and prescribed the means of eliminating misfortune. He understood that to achieve one’s most desired results a person must first learn to overcome the mindset that causes misfortune. Buddhist psychology prescribes a path for rectifying the mindset that keeps a person from realizing his or her highest good. Subsequently it offers a way to increase personal benefits while increasing happiness.

The Path to Eliminating Suffering (overcoming the troublesome mindset)

The global financial crisis has heightened awareness of the fact that the international community is essentially interconnected. “We are long past the time when human activities and their effects can be neatly compartmentalized within nations, within sector (energy, agriculture, trade) and within broad areas of concern (environmen-

tal, economic, social, etc.). This applies in particular to the global crisis that has seized public concern” (Sumanatissa 1). The global financial crisis and its consequences have raised awareness of the role business ethics play in attempts to promote global justice. But it has also heightened sensitivity to the apparent discrepancy between Liberalism’s claims of global justice and Liberalism’s business ethics.

Liberalism has an intention that each and every person will have the right to enjoy the good life in the way that each individual believes will create his or her highest good. Liberalism’s justice theories guarantee freedom of conscious (this freedom is promoted in terms of both positive and negative rights but does not allow interference with the positive and negative rights of others). The vision of Universalizing human rights is indeed an extension of Western Civilizations cherished notion that each person possesses the natural right to “life liberty and the pursuit of happiness”. The possibility of extending this to more of the world’s people in ways that are in line with the principles of Buddhist psychology and ethics will be discussed in this section of the article.

This section of the article is drawn from Buddhist principles to describe how to reconcile the difference between the ideal promises that Liberalism makes and the consequences it actually produces when traditional cultures experience the impact of globalization. This includes rectifying the discrepancy between the deeper values of Liberalism (justice, human rights, peace, liberty and prosperity for more of the world’s

people) and Liberalism’s current business ethics. Buddhism offers a perspective on human psychology and ethics that provides a constructive position from which to engage the West in an effort to rectify this discrepancy by means of a dialectic inquiry. Buddhism does have a viable approach to social-economic development that is in line with Liberalism’s intention to protect the individual right to freedom of conscious. However, at the same time, Buddhism promotes a value perspective that helps to reduce Liberalism’s problem of decreased effectiveness because of its business ethics.

Throughout the world people are challenged with adjusting to the demands of modernity while attempting to maintain their cultural values and traditions. Modernity is believed to create necessary progress (or development) that can result in economic prosperity when trade and finance are liberalized. Modernizing does result in some obvious immediate benefits, most recognizable by the increase in material production, consumerism and consumption. This soon becomes a new-found source for satisfaction based on both materialism and the ability to gratify sense desires. However there soon follows the realization that this is accompanied by disruption of traditional values, environmental disaster and a lack of deeper fulfillment.

It was the claim of modernity that the Western style of democracy-and its accompanying free market-would deliver peace, freedom, liberty and prosperity. However recent history has made it clear that Liberalism’s business ethics are not in line with Liberalism’s justice claims. The attrac-

tiveness of Liberalism is diminished with the realization that the promise of enhanced individual well-being has in the end typically meant an increase in material consumption but a decrease in contentment. It seems that big business believes it can reap the profits from the resources and labor of traditional cultures with no responsibility to deliver on Liberalism's claims of creating more equitable structures for increasing peace and prosperity.

The United Nations recognizes how important a partnership with the international business community is for improving international and intercultural relations. The United Nations acknowledges that "Never before have the objectives of the international community and the business world been so aligned. The UN asserts that if the global community is to realize the United Nations hopes of promoting the ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption-there must be the full support of the international business community" (UN Global Compact). The global effort for altruism and international cooperation (all nations cooperating to promote the common global good in terms of peace and equitable human development) is thwarted when business assertively acts to increase its competitive advantage by skirting, simply disregarding or flaunting normative principles for improved global justice.

Liberalism (typically accompanied by its counter-part free trade) promises to bring material prosperity to the cultures that open their doors to its free

market. However many traditional cultures are realizing that consumerism comes with an almost religious appeal, luring people to sacrifice traditional values and traditional cultural worldviews for its sake. The Buddhist economic perspective emphasizes that "If new economic enterprises are introduced which depend on foreign capital, technology and expertise (such as are in no way inherent in the recipient society) the activity will not promote healthy development but more likely hinder it" (Schumacher 179). Buddhism provides a way to remedy the tension between traditional values and progressive development by offering the "Middle Way" (or balance) that helps the individual and a society manage development in ways that bring human flourishing on a larger social scale and true lasting personal happiness.

Buddhist ethicists assert that while consumerism does represent development in material terms it gradually begins to reflect misconceptions about what brings true and lasting happiness. Ultimately, without the development of moral reasoning and ethical insight consumerism tends to reflect a troublesome mindset that needs to be altered in order to reduce human suffering. The Eightfold Path is the Buddhist prescription for correcting the troublesome mindset. The Eightfold path has economic value as it leads to Anavajjasukha-a certain state of mind that results in practicing economic life in a way that is wholesome (accompanied by an undisturbed conscious). By perfecting the principles prescribed in the Eightfold Path a person develops a healthy mind that conceives of good economics as an in-

crease in personal and social benefits.

Buddhist principles state that psychological well-being is the primary criterion for determining whether or not a person is able to enjoy true and lasting happiness. This begins with an understanding of the ethical perspective that is best for bringing about a person's most desired results (*samyag-di*) and then it moves toward applying this value perspective to all of one's actions (1a). Such a person is psychologically well-adjusted, is well-integrated with the social and natural environment, creates life enhancing interactions, increases prosperity and promotes human flourishing.

When the troublesome mindset is replaced with "panna" it is possible to distinguish between what is of true benefit and what is not. This leads to the cultivation of "chanda", or the realization of a more skillful, much better and more fruitful way of conducting one's life affairs. On the basis of Buddhist psychological and ethical perspectives the troublesome mindset-that creates misfortune-is altered and one begins to realize that economic enterprises work best when they create both personal and social benefits. "From an economist's point of view the marvel of the Buddhist way of life is the utter rationality of the concept-amazingly small means producing extraordinarily satisfactory results" (Schumacher 64). The difference lies in the fact that "Modern economics tries to maximize human satisfactions by the optimal pattern of consumption, while Buddhism tries to maximize consumption by the optimal pattern of productive effort" (Schumacher 61).

Buddhist Enlightenment and Western Enlightenment as a Future Social-Economic Phenomenon

Satisfaction of the individual desire for happiness plus an increase in the quality of human existence require adherence to principles that can guide "People" to a more enlightened life experience. Each person should be free to move toward this awakening without interference from social authorities. Thus, neither the state nor any other official should interfere with this "natural right". The European Enlightenment attempted to initiate a social process that would lead to the realization of these goals. If we define Enlightenment as the elevation of the human experience then we acknowledge that the European Enlightenment promulgated a philosophy for achieving this based on modernity, progress and development.

I claim that a more progressive approach to Enlightenment -as the elevation of the human experience-requires a reflective and dialectic inquiry into the ethical problems connected with globalization. This is especially evident because of problems with the discrepancy between Liberalism promises of global justice and the current approach to Liberalism's business ethics. By synthesizing the viewpoints of Buddhism with the Western visions of Enlightenment we gain a clearer understanding of the ethical stance needed to achieve Enlightenment as the elevation of the human experience.

Buddhist ethical and psychological principles share in common the humanistic in-

tention of the Western Enlightenment for the elevation of humanity. Both believe that the Enlightenment of the individual will be reflected in how one shapes his or her social interactions and economic enterprises. The reality of today's interconnected global economy makes it clear that the social advancements and economic prosperity that were envisioned in the Enlightenment cannot be thought of as limited to individuals and particular geographic regions. This means that Enlightenment is enhanced by an East-West inquiry into how to realize the vision of social structures promoting individual Enlightenment (without political and economic hindrance). By synthesizing the viewpoints of Buddhism with the Western visions of Social Enlightenment we gain a clearer vision of the ethical stance needed to achieve such Enlightenment.

Buddhist ethics and Western Liberalism share the value conviction that each individual should have the complete freedom to act on the basis of conscious. Buddhist ethics and the Western notion of global justice envision individuals empowered by their own inner convictions to direct their lives toward the good life in the "here and now". Neither the state nor any other official should interfere with the individual's right-to-realize his or her highest good. This right is considered to be inherent to the nature of existence. Each person should be free to move toward this awakening without interference from social and political authorities. From the standpoint of the fundamental rights of "People", this is considered a "natural right".

Buddhism, in many respects, does

support Liberalism's justice intention to enhance public well-being and to elevate the global human experience. Buddhism acknowledges that Liberalism has a degree of global appeal (for example in connection with growing appreciation for the Universal Declaration of Human Rights). Buddhist ethics and Free Market values share the conviction that each individual should have the complete liberty to act on the basis of freedom of conscious to pursue what is believed will bring the greatest amount of happiness. In Buddhism the almost complete elimination of outer authority encourages one to exercise the natural right to "freedom of conscious". Freedom of conscious is important for Buddhist Enlightenment because it requires the right effort of an "autonomous free will".

Buddhism admonishes a deep respect and compassion for all other living things. From the Buddhist perspective rights apply to a moral self rather than to the individual promoting rights in an effort to protect self interests. To understand the full implication of "Rights" in this Buddhist sense demands some degree of compassion or sensitivity to the moral worth of fellow human beings. The Buddhist deep respect for all others inspires the desire to live in harmony with others and within one's natural environment. The Buddhist sense of the individual's responsibility to do everything possible to create and maintain harmony corresponds with the Western notion of social responsibility.

Western Liberals endeavor to eliminate the problem of self interest in international transactions by proposing a

“Law of Peoples”. From this ideal Liberal perspective intercultural transactions are made up of discrete entities called “Peoples” who act as political agents in the development of a “Society of Peoples” and who will agree to principles of peaceful coexistence under the “Law of Peoples”. The decision of how these principles apply between particular cultures would be decided in deliberation by the participants (Rawls 32-33). Liberalism believes that Justice works best when parties contractually agree to constitute the terms of their relationship from the perspective of “A Veil of Ignorance”.

The “Veil of Ignorance” comes close to achieving what Buddhist ethics prescribe with its principles of “compassion” and “no self”. The ideal of the veil of ignorance is believed to improve justice because parties would contractually agree not to plan policy based on what would bring the greatest benefit to oneself or any special interest group. Policy must be based on what will increase distributive benefits for the least advantaged. In this respect liberals believe “People”, constructively engaged in dialectic dialogue, can safeguard human rights on a global scale. “John Rawls’ Law of Peoples offers a framework for a Buddhist theory of social justice. That is to say, it helps clarify the relation in Buddhism between the focus on self-nature and personal enlightenment (which is an ontological concern) and the need to think about the daily behavior of the Buddhist practitioner in society (which is a phenomenal concern)” (Cho 4).

Enlightenment principles (both East and West) share the premise that any reasonable person desires the right to decide

what is in his or her best interest. Thus the primary postulation of “Enlightenment as a Future Social-Economic Phenomenon” is that any reasonable person would agree that it is best to cooperate in an effort to realize this Enlightenment aim. Prudence prompts the realization that personal profit, the public enjoyment of material prosperity and the conservation of common resources are all connected with improved cooperative interactions between the members of the global community. From the Buddhist perspective it would arouse a greater appreciation for the principle of “Prat tyasamutp da”. (Inoue 1).

The relevancy of Prat tyasamutp da is manifest in the global financial crisis in terms of the factor “Dependent Co-arising”. Dependent Co-arising is the Buddhist explanation for the fact that the characteristics of the global financial system—that can appear to represent divergent or contingent conditions—actually reflect how essentially humanity is interconnected. Thus, the realization of interdependency results in a preference for promoting cooperation and harmony. The economic aspect of this is based on the fact that historically cooperation in trade was an important factor for extending units of cooperative interactions.

Trade allowed for the redistribution of resources, the building or strengthening of alliances and for improving nutrition. Improved nutrition was important for increasing physical strength and boosting mental capacities. These units of cooperative interactions were no doubt ones that enjoyed the best chances for

survival and flourishing. Liberals envision today's global market playing a similar role to that played by trade throughout the human experience. Liberals believe that the quality of life for the world's people would be improved and international cooperation strengthened.

The key to realizing this on a global level lies in a reexamination of Liberalism ethics and a deeper appreciation for Enlightenment as a Social-Economic Phenomenon. A dialectic reexamination of Modernity's ethical philosophy would make evident the need for a new basis for global social cohesion because it resulted in the predominance of a value for the "Autonomous Individual" (MacIntyre 149). The Buddhist approach to Enlightenment (hoped for by Modernity) helps to rectify the tendency toward focusing on self interests because it "Understands how to achieve the happiness-which is the ultimate end in the quest for good-but also avoid harms and dangers which could incur. This is achieved by increasing self-knowledge and increasing knowledge of the good" (MacIntyre 204).

Buddhist principles are in line with Liberalism's justice values-in that "They both attempt to enhance the worth of the individual in a way that develops the person's capacities to the fullest" (Smith 55). Buddhism serves as a source of inspiration and has contributed to enriching the quality of life for a large segment of the world's people (individuals, cultures and nations). When applied, by individuals or by a society, Buddhist principles have proven to create prosperity

in ways compatible with personal growth, increased over-all well-being and sustainability. "Buddha says that this begins with correcting false values and gaining true knowledge of life's meaning" (Ross 91).

Buddhism, as a global phenomenon, is increasingly aware of the need to offer a critical response to the challenge imposed as a result of tension between global justice and global economics. Many Buddhist constituents are struggling with the pressure of trying to maintain a balanced, insightful life while attempting to manage modern economic pressures. Many are beginning to realize that to maintain a lifestyle of contentment-one that is fundamentally committed to Right Livelihood-there must be corresponding support from society in terms of equal rights, justice for all citizens in the society and rule of law. Without society promoting the accompanying political and economic values, a person could have a desire to practice Right Livelihood but end up being disturbed by a split between the demands of the inner conscious and those of the outer economic reality. It is in this respect that the former Buddhist tendency to focus on individual Enlightenment is increasingly being expanded into advising constituents on how to adjust to globalization's impact on the individual's attempt at "Right Livelihood".

Buddhist notions of social justice have in the past been premised on the claim that social good comes from individuals correcting the troublesome mindset and adhering to the Eightfold Path. Buddhists are now increasingly

recognizing that interdependent causation makes clear the necessity of dialectical deliberation on how to safeguard the rights of the individual in order to better facilitate a person's right to pursue his or her highest good. In this respect Buddhist insights contribute to promoting flourishing economies by synthesizing the Eastern notion of personal self-transformation and the individual's search for personal happiness with the Western notion of Enlightenment as a globalized discourse on protecting the individual's search for personal happiness.

Thus based on recognizing the interdependence between the social and the individual, Engaged Buddhists envision an enlightened approach to business ethics that would prompt three things: First is an economic system that creates individual wealth in a way that benefits (does not harm) public interests. Second is the vision of extending the principles connected with the Western notion of Social Contract in such a way as to help resolve the problem between Liberalism and Communitarian values. This can be actualized based on the notion of cosmopolitanism, discourse politics, deliberative economic planning and contractual international relations. Third is an economic system intent on employing sustainable methods of using natural resources (eco-justice) and environmental planning inclusive of indigenous insights.

REFERENCES

- Aristotle (1994). *Nicomachean Ethics*. (translated by H. Rackman). Harvard University Press, Cambridge.
- Bubna-Litic, David (1995). "Business Ethics and Business Strategy Making". *Journal of Business Ethics*. October.
- Cho, Sungtaek (2000). "Selflessness: Toward a Buddhist Vision of Social Justice" *Journal of Buddhist Ethics*, (ISSN 1076-9005, volume 7).
- Covey, Stephen. *The Seven Habits of Highly Effective People*. (Simon and Schuster Publishing, N. Y: 1990).
- Dalai Lama (1999), His Holiness (Tenzin Gyatso). *Ancient Wisdom, Modern World*. Little, Brown and Company, London.
- Fullerton, John. "The Relevance of E. F. Schumacher in the Twenty First Century". www.smallisbeautiful.org
- Hubbard, Jamie and Swanson, Paul (1997). *Pruning the Bodhi Tree: The Storm over Critical Buddhism*. University of Hawai'i Press, Honolulu, HI.
- Inoue, Hinichi (1997). *Putting Buddhism to Work: A New Approach to Management and Business* (translated by Duncan Williams). Kodansha International Ltd., Tokyo.
- Kollewe, Julia (2008). "Fear is the New Mindset in the Irrational World of Finance". guardian.co.uk, Thursday 23 October.
- MacIntyre, Alasdair (1981). *After Virtue*. Notre Dame University Press, Notre Dame.
- Ornatowski, Gregory K (1996). "Continuity and Change in the Economic Ethics of Buddhism: Evidence From the History of Buddhism in India, China and Japan". *Journal of Buddhist Ethics*, Volume 3.
- Rawls, John (2002). *The Law of Peoples*. Harvard University Press, Cambridge.

- Ross, Nancy, W (1969). *Three Ways of Asian Wisdom*. Published by Simon and Schuster, New York.
- Schumacher, E.F (1989). *Small is Beautiful: Economics as if People Mattered*. Harper Perennial, New York.
- Smith, Robert (1993). *Japanese Society: Tradition, Self and the Social Order*. Cambridge University Press, Cambridge.
- Sumanatissa, Medagoda (2003). "Buddhism and Global Economic Justice". *Business Ethics* (12-9-2003). <http://www.globalnonviolence.org/docs/buddhism/chapter12.pdf>.
- "United Nations Global Compact". *The United Nations and Business*. <http://www.un.org/partners/business/index.asp>.
- Velasquez, Manuel (2006), G *Business Ethics: Concepts and Cases*. The Pearson Education International Division of Prentice Hall Publishing, New Jersey.
- Watts, Jonathan and Loy, David (1998). "The Religion of Consumption: A Buddhist Perspective". *Consumption and Sustainable Development*: vol. 41, num. 1.